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Fiscal Note & Local Impact Statement

Bill: H.B. 18 of the 132nd G.A. Status: As Enacted

Sponsor: Reps. Pelanda and Retherford Local Impact Statement Procedure Required: No

Subject: Eliminates the requirement for holding a special primary election for Congress if uncontested, permits simultaneous holding of dual offices in specified circumstances, and makes other changes

State & Local Fiscal Highlights

- Uncontested special Congressional primaries. The bill eliminates the requirement to hold a primary election to replace a party's candidate for Congress if the special primary is uncontested, reducing costs for boards of elections and eliminating the need for the state to reimburse boards of elections for those expenses.
- State reimbursements to boards of elections for special Congressional elections. The state reimburses counties for their costs for holding Congressional special elections from moneys under the purview of the Controlling Board. The Controlling Board authorizes the cash transfers necessary to the BOE Reimbursement and Education Fund (Fund 5FG0) under the Secretary of State's budget, which is used to distribute the reimbursements.

Detailed Fiscal Analysis

Special elections

Under current law, ballot vacancies in Congressional primary and general elections are filled by special election instead of the appointing process for vacancies that exists for other vacant offices. The bill eliminates the requirement of holding a primary election to replace a party's candidate for Congress if the special primary is uncontested. The one exception under the bill is that if the sole candidate in an uncontested Congressional primary race dies or withdraws before the primary, then a special election to nominate that party's candidate must be held as under current law. Similarly, continuing law specifies that a special primary election be held if a party's Congressional candidate dies or withdraws after the primary but before the 90th day before the general election.

The cost for conducting Congressional special elections is borne by the Secretary of State (SOS). These costs are paid for on a reimbursement basis by the SOS to county boards of elections. Specifically, the SOS reimburses county boards of elections for these special election costs once those costs are certified and sent to the SOS for payment. The

appropriation item 911614, CB Emergency Purposes/Contingencies. Once a request for payment is approved by the Controlling Board, the necessary cash is transferred to the BOE Reimbursement and Education Fund (Fund 5FG0), under the Secretary of State's budget, where the money is then disbursed to boards of elections.

The costs of conducting special elections vary and depend on several factors, including the number of counties involved, the number of precincts that are required to be open within those counties, the total number of poll workers needed, as well as whether these precincts are located in urban or rural areas. As an example, the Congressional special election for the vacancy of Representative to Congress from the 8th Congressional District was held on June 7, 2016. This special election encompassed six total counties and 578 total precincts. The total cost of the special election was \$505,796, or approximately \$875 per precinct. The SOS estimates that the per-precinct costs for conducting elections can range from \$800 to \$1,500 per precinct. The bill also modifies the order in which certain races are to appear on the ballot in certain special elections. However, there does not appear to be any fiscal impact associated with this change.

Holding of dual offices

The bill gives authority for an elected official of a county, township, or municipal corporation that has levied a hotel lodging excise tax under current law, or anyone appointed by those officials, to simultaneously serve in this elected or appointed position and as a member or officer of the board of trustees of a convention and visitors' bureau. There does not appear to be any direct fiscal impact on political subdivisions associated with this provision.

Providing tax information to a convention and visitors' bureau

The bill additionally specifies that a county auditor, fiscal officer of a municipal corporation, or their employees must provide the executive director of a convention and visitors' bureau the tax return information of a hotel subject to the lodging tax. As a consequence, county auditor and municipal fiscal offices could incur some small amount of additional administrative costs for providing this information.